IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO. 601 OF 1998

The Commissioner of Income-tax. ... Applicant.
V/s.
Everest Advertising Pvt.Ltd. ... Respondent.

A.S.Rao for the Applicant.

CORAM : V.C.DAGA AND J.P.DEVADHAR, JJ.

DATED : 29th March, 2005.

P.C. :

. Heard learned counsel for the applicant.

The tribunal has referred following questions for

the opinion of this Court:

1) Whether on the facts and in the circumstances of the case, the Tribunal was right in law in holding that the disallowance out of salary and perquisites to the employee director should be made u/sec. 40(c) and not u/s 40A(5) of the Income-tax Act?

2) Whether, on the facts and in the circumstances of the case, the Tribunal was right in law in holding that the reimbursement of medical expenses should not be taken into account for the purpose of computation of disallowance u/s 40A(5)/40(c), overlooking its own decision in the case of Glaxo Laboratories 18 ITD 226?

2. The first question has already been answered

by the Division Bench of this Court in the case of **C.I.T. v. Hico Products (P.) Ltd.**, (1993) 201 ITR

567 (Bom) in favour of assessee and against the

revenue.

3. The second question has already been answered by the Division Bench of this Court in **C.I.T. v. Mahindra Ugine Steel Co.Ltd.**, (1998) 233 ITR 204 (Bom) in favour of assessee and against the revenue.

. Reference stands disposed of accordingly with no order as to costs.

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